

## Calendar No. 274

114TH CONGRESS  
1ST SESSION

# S. 2182

To cut, cap, and balance the Federal budget.

---

IN THE SENATE OF THE UNITED STATES

OCTOBER 19, 2015

Mr. PAUL introduced the following bill; which was read the first time

OCTOBER 20, 2015

Read the second time and placed on the calendar

---

## A BILL

To cut, cap, and balance the Federal budget.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cut, Cap, and Balance  
5 Act of 2015”.

**TITLE I—CUT**

1

2 **SEC. 101. MODIFICATION OF THE CONGRESSIONAL BUDGET**

3

**ACT.**

4 Title III of the Congressional Budget Act of 1974  
5 (2 U.S.C. 631 et seq.) is amended by adding at the end  
6 the following:

7 **“SEC. 316. SPENDING LIMITS.**

8 “(a) IN GENERAL.—It shall not be in order in the  
9 House of Representatives or the Senate to consider any  
10 bill, joint resolution, amendment, or conference report that  
11 would cause the spending limits as set forth in this section  
12 to be exceeded.

13 “(b) LIMITS.—In this section, the term ‘spending  
14 limits’ means for fiscal year 2016—

15 “(1) \$2,832,215,000,000 in new budget author-  
16 ity; and

17 “(2) \$2,884,442,000,000 in outlays.

18 “(c) ADJUSTMENTS.—After the reporting of a bill or  
19 joint resolution relating to the global war on terrorism de-  
20 scribed in subsection (d), or the offering of an amendment  
21 thereto or the submission of a conference report thereon—

22 “(1) the chair of the House or Senate Com-  
23 mittee on the Budget may adjust the spending limits  
24 provided in this section for purposes of congressional  
25 enforcement, the budgetary aggregates in the con-

1 current resolution on the budget most recently  
2 adopted by the Senate and the House of Representa-  
3 tives, and allocations pursuant to section 302(a) of  
4 the Congressional Budget Act of 1974 (2 U.S.C.  
5 633(a)), by the amount of new budget authority in  
6 that measure for that purpose and the outlays flow-  
7 ing therefrom; and

8 “(2) following any adjustment under paragraph  
9 (1), the House or Senate Committee on Appropria-  
10 tions may report appropriately revised suballocations  
11 pursuant to section 302(b) of the Congressional  
12 Budget Act of 1974 (2 U.S.C. 633(b)) to carry out  
13 this subsection.

14 “(d) GLOBAL WAR ON TERRORISM.—If a bill or joint  
15 resolution is reported making appropriations for fiscal  
16 year 2016 that designates amounts for Overseas Contin-  
17 gency Operations/Global War on Terrorism for purposes  
18 of section 251(b)(2)(A) of the Balanced Budget and  
19 Emergency Deficit Control Act of 1985 (2 U.S.C.  
20 901(b)(2)(A)), the allowable adjustments provided for in  
21 subsection (c) for fiscal year 2016 shall not exceed  
22 \$58,000,000,000 in budget authority and the outlays flow-  
23 ing therefrom.

1 **“SEC. 317. CERTAIN SPENDING LIMITS.**

2 “(a) IN GENERAL.—It shall not be in order in the  
3 House of Representatives or the Senate to consider any  
4 bill, joint resolution, amendment, or conference report that  
5 includes any provision that would cause total spending, ex-  
6 cept as excluded in subsection (b), to exceed the limits  
7 specified in section 316(b).

8 “(b) EXEMPT FROM SPENDING LIMITS.—Spending  
9 for the following functions is exempt from the limits speci-  
10 fied in section 316 (b):

11 “(1) Social Security, function 650.

12 “(2) Medicare, function 570.

13 “(3) Veterans Benefits and Services, function  
14 700.

15 “(4) Net Interest, function 900.

16 “(5) Military personnel accounts within sub-  
17 functional category 051.”.

18 **SEC. 102. STATUTORY ENFORCEMENT OF SPENDING CAPS**  
19 **THROUGH SEQUESTRATION.**

20 Title III of the Congressional Budget Act of 1974  
21 (2 U.S.C. 631 et seq.) is amended by inserting after sec-  
22 tion 317, as added by section 101 of this Act, the fol-  
23 lowing:

1 **“SEC. 318. ENFORCEMENT OF DISCRETIONARY AND DIRECT**  
2 **SPENDING CAPS.**

3 “(a) IMPLEMENTATION.—The sequesters shall be im-  
4 plemented as follows:

5 “(1) DISCRETIONARY SPENDING IMPLEMENTA-  
6 TION.—For the discretionary limits in section 316,  
7 pursuant to section 251(a) of the Balanced Budget  
8 and Emergency Deficit Control Act of 1985 (2  
9 U.S.C. 901(a)) with each category sequestered sepa-  
10 rately.

11 “(2) DIRECT SPENDING IMPLEMENTATION.—  
12 (A) The sequestration to enforce this section for di-  
13 rect spending shall be implemented pursuant to sec-  
14 tion 254 of the Balanced Budget and Emergency  
15 Deficit Control Act of 1985 (2 U.S.C. 904).

16 “(B) Section 255 of the Balanced Budget and  
17 Control Act of 1985 (2 U.S.C. 905) shall not apply  
18 to this section, except that payments for military  
19 personnel accounts (within subfunctional category  
20 051), TRICARE for Life, Medicare (functional cat-  
21 egory 570), military retirement, Social Security  
22 (functional category 650), veterans (functional cat-  
23 egory 700), net interest (functional category 900),  
24 and discretionary appropriations shall be exempt.

25 “(b) MODIFICATION OF PRESIDENTIAL ORDER.—

1           “(1) IN GENERAL.—At any time after the Di-  
2           rector of the Office of Management and Budget  
3           issues a sequestration report under subsection (a)  
4           and section 319(c) the provisions of section 258A of  
5           the Balanced Budget and Emergency Deficit Control  
6           Act of 1985 (2 U.S.C. 907b) shall apply to the con-  
7           sideration in the House of Representatives and the  
8           Senate of a bill or joint resolution to override the  
9           order if the bill or joint resolution, as enacted, would  
10          achieve the same level of reductions in new budget  
11          authority and outlays for the applicable fiscal year  
12          as set forth in the order.

13          “(2) POINT OF ORDER.—In the House of Rep-  
14          resentatives or Senate, it shall not be in order to  
15          consider a bill or joint resolution which waives,  
16          modifies, or in any way alters a sequestration order  
17          unless the chair of the House or Senate Committee  
18          on the Budget certifies that the measure achieves  
19          the same levels of reductions in new budget author-  
20          ity and outlays for the applicable year as set forth  
21          in the order.”.

## TITLE II—CAP

### 2 SEC. 201. LIMIT ON TOTAL SPENDING.

3 (a) DEFINITIONS.—Section 250(c) of the Balanced  
4 Budget and Emergency Deficit Control Act of 1985 (2  
5 U.S.C. 900(c)) is amended—

6 (1) by striking paragraph (4);

7 (2) by redesignating paragraphs (5) through  
8 (21) as paragraphs (4) through (20), respectively;  
9 and

10 (3) by adding at the end the following:

11 “(21) The term ‘GDP’, for any fiscal year,  
12 means the gross domestic product during such fiscal  
13 year consistent with Department of Commerce defi-  
14 nitions.”.

15 (b) CAPS.—Title III of the Congressional Budget Act  
16 of 1974 (2 U.S.C. 631 et seq.) is amended adding after  
17 section 318, as added by section 102 of this Act, the fol-  
18 lowing:

### 19 “SEC. 319. ENFORCING GDP OUTLAY LIMITS.

20 “(a) ENFORCING GDP OUTLAY LIMITS.—In this sec-  
21 tion, the term ‘GDP outlay limit’ means an amount, as  
22 estimated by the Director of the Office of Management  
23 and Budget, equal to—

24 “(1) projected GDP for that fiscal year as esti-  
25 mated by OMB, multiplied by

- 1           “(2)(A) 19.9 percent for fiscal year 2016;  
2           “(B) 19.52 percent for fiscal year 2017;  
3           “(C) 19.14 percent for fiscal year 2018;  
4           “(D) 18.76 percent for fiscal year 2019;  
5           “(E) 18.38 percent for fiscal year 2020;  
6           “(F) 18 percent for fiscal year 2021;  
7           “(G) 18 percent for fiscal year 2021;  
8           “(H) 18 percent for fiscal year 2022;  
9           “(I) 18 percent for fiscal year 2023;  
10          “(J) 18 percent for fiscal year 2024; and  
11          “(K) 18 percent for fiscal year 2025.

12          “(b) GDP OUTLAY LIMIT AND OUTLAYS.—

13           “(1) DETERMINING THE GDP OUTLAY LIMIT.—

14          The Director of the Office of Management and  
15          Budget shall establish in the President’s budget the  
16          GDP outlay limit for the budget year.

17           “(2) TOTAL FEDERAL OUTLAYS.—In this sec-  
18          tion, total Federal outlays shall include all on-budget  
19          and off-budget outlays.

20          “(c) SEQUESTRATION.—The sequestration to enforce  
21          this section shall be implemented pursuant to section 254  
22          of the Balanced Budget and Emergency Deficit Control  
23          Act of 1985 (2 U.S.C. 904).

24          “(d) EXEMPT PROGRAMS.—Section 255 of the Bal-  
25          anced Budget and Control Act of 1985 (2 U.S.C. 905)

1 shall not apply to this section, except that payments for  
2 military personnel accounts (within subfunctional category  
3 051), TRICARE for Life, Medicare (functional category  
4 570), military retirement, Social Security (functional cat-  
5 egory 650), veterans (functional category 700), and net  
6 interest (functional category 900) shall be exempt.”.

7 **SEC. 202. ENFORCEMENT PROCEDURES UNDER THE CON-**  
8 **GRESSIONAL BUDGET ACT OF 1974.**

9 (a) ENFORCEMENT.—Title III of the Congressional  
10 Budget Act of 1974 (2 U.S.C. 631 et seq.) is amended  
11 by adding after section 319, as added by section 201 of  
12 this Act, the following:

13 **“SEC. 320. ENFORCEMENT PROCEDURES.**

14 “It shall not be in order in the House of Representa-  
15 tives or the Senate to consider any bill, joint resolution,  
16 amendment, or conference report that would cause the  
17 most recently reported current GDP outlay limits set forth  
18 in section 319 to be exceeded.”.

19 (b) TABLE OF CONTENTS.—The table of contents in  
20 section 1(b) of the Congressional Budget and Impound-  
21 ment Control Act of 1974 is amended by adding after the  
22 item relating to section 315 the following:

“Sec. 316. Spending limits.

“Sec. 317. Certain spending limits.

“Sec. 318. Enforcement of discretionary and direct spending caps.

“Sec. 319. Enforcing GDP outlay limits.

“Sec. 320. Enforcement procedures.”.

**TITLE III—BALANCE****SEC. 301. REQUIREMENT THAT A BALANCED BUDGET  
AMENDMENT BE SUBMITTED TO STATES.**

(a) IN GENERAL.—The Secretary of the Treasury shall not exercise the additional borrowing authority in subsequent legislation until the Archivist of the United States transmits to the States a balanced budget amendment to the Constitution that—

(1) requires that total outlays not exceed total receipts;

(2) contains a spending limitation as a percentage of GDP; and

(3) requires that tax increases be approved by a  $\frac{2}{3}$  vote in both Houses of Congress for their ratification.

(b) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that would cause the Secretary of the Treasury to exercise additional borrowing authority described in subsection (a) until such time as the Archivist of the United States transmits to the States an amendment to the Constitution described in subsection (a).



Calendar No. 274

114<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**S. 2182**

---

---

**A BILL**

To cut, cap, and balance the Federal budget.

---

---

OCTOBER 20, 2015

Read the second time and placed on the calendar